

## Message Text

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ACTION NEA-11

INFO OCT-01 AF-10 ISO-00 AGRE-00 AID-05 CIAE-00  
COME-00 EB-08 FRB-03 INR-10 NSAE-00 ICA-11  
TRSE-00 XMB-02 OPIC-03 SP-02 LAB-04 SIL-01 OMB-01  
DOE-15 SOE-02 IO-13 /102 W  
-----038776 071509Z /46

R 071426Z MAY 78  
FM AMEMBASSY KUWAIT  
TO SECSTATE WASHDC 0898  
INFO AMEMBASSY ABU DHABI  
AMEMBASSY CAIRO  
AMEMBASSY JIDDA  
AMEMBASSY KHARTOUM

C O N F I D E N T I A L KUWAIT 2746

E.O. 11652: GDS  
TAGS: EAID, EFIN, SU  
SUBJ: KUWAITI VIEW OF SUDAN'S ECONOMIC CRISES

REF: (A) KHARTOUM 1891, (B) KHARTOUM 1787, (C) KHARTOUM 1716,  
(D) KUWAIT 2261, (E) KHARTOUM 1401

1. DURING CALL BY AMBASSADOR, ACCOMPANIED BY E/C CHIEF BUCK,  
ON KUWAIT FUND DIRECTOR GENERAL AL-HAMAD, WHICH DEALT LARGELY  
WITH AID TO EGYPT (SEPTTEL), AMBASSADOR ASKED FOR AL-HAMAD'S  
VIEWS ON SERIOUS BALANCE OF PAYMENTS CRISIS SUDAN WAS PRESENTLY  
UNDERGOING. HE REFERRED TO A REPORT THAT THREE QUARTERS OF  
SUDAN'S COTTON CROP MAY BE LOST BECUASE COUNTRY UNABLE TO PAY  
FEW MILLION DOLLARS FOR PESTICIDES (REF A) DUE TO INSUFFICIENT  
AVAILABILITY OF FOREIGN EXCHANGE. AL-HAMAD REACTED TO THIS  
QUESTION WITH SURPRISING FEELING, SAYING THAT JUST AS EGYPT  
WAS MISMANAGING ITS ECONOMY, SUDAN WAS DOING THE SAME--THIS  
WAS A GOOD EXAMPLE OF IT. FOR EXAMPLE, HE CLAIMED THAT SUDANESE  
HAD ORDERED 20,000 TV SETS FOR THEIR ARMY AND GIVEN A 50  
PERCENT SALARY INCREASE FOR THE MILITARY, YET THEY WERE  
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UNABLE TO SET ENOUGH MONEY ASIDE TO PROTECT THEIR MOST VALUABLE  
EXPORT CROP. IN THE 60'S SUDAN RAILWAYS RAN WELL; NOW,  
BECAUSE OF MISMANAGEMENT, THE RAILWAYS WERE ONLY OPERATING  
AT 40 PERCENT CAPACITY. NIMEIRI'S TAKE-OVER OF THE FINANCE  
MINISTRY HAS BEEN A TOTAL DISASTER. NIMEIRI WOULD BE WELL  
ADVISED TO LET SADIQ AL-MAHDI TAKE OVER THE PRIME MINISTERSHIP  
AND BRING SOME ECONOMIC ORDER BACK TO THE COUNTRY. THERE WERE

PLENTY OF BRIGHT, INTELLIGENT, WELL-QUALIFIED SUDANESE WHO  
COULD DO A GOOD JOB OF MANAGING THE COUNTRY'S ECONOMY, BUT  
UNFORTUNATELY MOST OF THEM WERE OUTSIDE OF SUDAN, AS  
SUDAN'S LEADERS DID NOT KNOW HOW TO USE THEIR TALENTS.

2. COMMENT. IT CERTAINLY SEEMED THAT SUDAN'S ECONOMIC PLIGHT  
DOES NOT EVOKE MUCH SYMPATHY IN KUWAIT, WHICH HAS INVESTED  
CONSIDERABLE RESOURCES IN THE SUDANESE ECONOMY. THE KUWAITIS  
ARE LIKELY TO INSIST THAT SUDAN ACCEPT THE STRINGENT IMXC PROGRAM  
IF THEY EXPECT TO GET FURTHER ASSISTANCE FROM THE KUWAIT FUND,  
AND PROBABLY THE GOVERNMENT AS WELL.  
MAESTRONE

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NNN

## Message Attributes

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**Disposition Case Number:** n/a  
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**Disposition Date:** 20 Mar 2014  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** KUWAITI VIEW OF SUDAN'S ECONOMIC CRISES  
**TAGS:** EAID, EFIN, KU, SU  
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**Type:** TE  
**vdkgvwkey:** odhc://SAS/SAS.dbo.SAS\_Docs/7df4b4a2-c288-dd11-92da-001cc4696bcc  
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